

Cash Handling Procedures

Strong internal controls for cash/cash equivalent collection are necessary to prevent mishandling of funds and are designed to safeguard and protect employees from inappropriate charges of mishandling funds by defining their responsibilities in the cash handling process.

Daily Cash Handling: The County cash handling policy requires that areas receiving cash be approved by the Treasurer's Office as a cash collection point unless they are established by statute. The County's currently established cash collection points are the District Court, Circuit Court Civil and Juvenile, Probate Court, Register of Deeds, County Clerk, Commission on Aging, Senior Center, DPW, Construction Codes, Health Department, Environmental Health, Soil & Erosion, Sheriff's office, Jail, County Parks, and the County Treasurers office. Casual cash collection points may be established for off-site events upon prior request to the Treasures Office. Requirements for the establishing of cash and casual cash collection points are outlined in the County's Cash Handling Policy.

The following list of procedures are required for the operation of cash collection points -

- Upon receipt, all cash received must be recorded through the cash receipt system with computer generated official county numbered receipt, or when necessary an official county temporary numbered cash receipt or ticket. When a cash collection point with a computerized accounting system uses temporary cash receipts or tickets, the temporary receipts must be converted over to computerized receipts as soon as possible or within the next business day. The customer must be presented an official county receipt form with a duplicate record being retained by the receiving department. Be sure to write or print clearly. All numbered receipts must be accounted for, including the original of all voided receipts
- Always keep the currency you receive in view of the customer
- Never put the currency received in the drawer before the transaction is complete
- Cash must be kept in a safe and secure place(cash drawer or cash register) during daily operations and secured in a safe place overnight
- The cash collection point must maintain a clear separation of duties. An individual should not have responsibility for more than one of the cash handling components: collecting, depositing, disbursement, and reconciling when possible
- The funds received must be reconciled to the computerized cash receipting report or to the total of the temporary receipts at the end of the day. Each form of payment must be reconciled separately and then compared to the computer generated report of that days transactions
- Checks must be made payable to 'Grand Traverse County' or County Department Name, and must be endorsed promptly with the County's stamp. No secondary endorsement checks accepted
- Checks or credit card transactions will not be allowed for more than the amount of the receipt, and cash back should not be given
- Checks should only be written for the exact amount due, however if a refund is due it must be requested from and paid through the Finance Department
- All cash and cash equivalents must be deposited at the County Treasurer's Office within 24 hours or the next business day, or agreed upon schedule if cash is minimal and does not warrant daily deposits. Casual cash collections will require individual deposit slips and deposited at the County Treasurer's Office at the end of the event
- Approval of any voided cash receipts by the area supervisor
- Approval by the Treasurer's Office of any changes in cash handling procedures

The use of checking or other bank accounts by County personnel for depositing County cash is prohibited unless the checking or other bank account has been set up by the Treasurer's Office.

Preparation of Transmittals: Transmittals of county funds must be done within 24 hours or the next business day. Casual cash collections will require individual transmittals and given to County Treasurer's office at the end of the off-site event.

- Checks must be made payable to 'Grand Traverse County', or County Department, NO secondary endorsement checks accepted. Be sure all checks have been endorsed with the County's stamp or by the cash receipt system
- Checks should be bundled together and a calculator tape with the total included
- Cash, checks and credit cards must be recorded on the transmittal slip with the appropriate line items. Be sure to print clearly to avoid errors
 - Credit card transactions are deposited separately. Attach a copy of the credit card batch total from credit card processor as back up for amount reported on transmittal
- Deposits held overnight must be kept in a secured place
- Transmittals must be signed and dated by the individual preparing the deposit

Cash Over/Short: Every effort should be made to locate all discrepancies, follow these steps when a discrepancy occurs:

- Recount all coin and currency, verify to the Transmittal
- Re-add all cash equivalents and verify to the Transmittal
- Recheck all figures on the accounting system and supporting documentation. Compare and check each specific transaction if possible
- Search the cash handling area, including the waste paper basket for any cash or cash equivalents. Retain the contents of the waste paper basket for follow up by the department supervisor or Treasurers Office
- If unable to locate the discrepancy, report the overage/shortage to the department supervisor
- Report any overage/shortage on your daily transmittal in a separate over/short line item for proper reporting

The department supervisor or treasury should follow the steps above and if the discrepancy cannot be resolved, all cash overages/shortages must be documented with that day's activity.

Start Up / Petty Cash: Departments who take payments from the public are in need of startup cash for their cash drawers. ***Start up cash is to be used as start-up funds in cash drawers for making change for customers. No expenses should come out of this cash and the amount approved should always be the amount in the drawer after balancing at the end of each day.*** To obtain or increase start up cash, the County Treasurer must be notified, and the department must prepare a voucher for Finance stating the need and reasons for the request and authorized by the Treasurer. The disbursement issuing the cash will be set up as an asset in the County's books for proper tracking. The County Treasurer will be responsible for annual audits to confirm the start up cash balances in each department.

Departments may need Petty Cash to make incidental purchases. While this practice is discouraged the County realizes there are circumstances that warrant this process. ***Petty Cash is: cash approved on a case by case basis for use to make incidental purchases where there is an immediate need and the purchase cannot be charged at the point of service. The total of the receipts in the drawer, plus the cash in the drawer, must always equal the total authorized Petty Cash Fund.*** To obtain or increase Petty Cash, the department must notify the County Treasurer, and prepare a Voucher for Finance stating the need and reasons for the request and authorized by the Treasurer. The County Treasurer will be responsible for annual audits to confirm Petty Cash balances in each department.